

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

Industrial Promotion – Extension of certain incentives under Industrial Investment Promotion Policy (IIPP) 2010-15 to M/s. Sentini Infra Pvt Ltd for their proposed Glass Containers & Float Glass manufacturing unit of capacity 850 MTPD at West Godavari District – Orders- Issued.

INDUSTRIES & COMMERCE (IP) DEPARTMENT

G.O.Ms.No.

**Dated:04-06-2013
Read the following:-**

1. From the Director, M/s. Sentini Infra Pvt Ltd Letter No. Nil, dated 09.01.2012
2. State Investment Promotion Committee Meeting held on 16.06.2012
3. State Investment Promotion Board Meeting held on 27.06.2012

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O R D E R:-

In the reference 1st read above, the Director, M/s. Sentini Infra Pvt. Ltd has informed that they proposed to setup a Glass Containers & Float Glass manufacturing unit of capacity 850 MTPD at Decherla village of Kovvur Mandal, West Godavari District with an investment of Rs 600 Crores in two phases. The unit will create employment to 2000 families directly & indirectly.

2. The Director, M/s. Sentini Infra Pvt Ltd., Decherla village of Kovvur Mandal, West Godavari District has requested to the Government for the following benefits:

- (a) Provision of water supply from the Godavari River by laying an exclusive pipeline to the project to an extent of 5000 KL per day
- (b) The project requires uninterrupted power on a continuous basis from a 133 KV substation for the purpose which may be provided
- (c) Subsidy of Rs. One Crore for provision of Concrete road to the unit since this is located in an interior rural region of the state. This will be significantly beneficial for the overall development of the interior rural region of the state.
- (d) The project also requires clean fuel for maintaining quality in the output. For this reason natural gas allocation of 2,50,000 SCMD (0.25 MMSCMD) from the MOPNG, GoI or from the State quota may be provided. Provisionally, the project will commence commercial production with RLNG supplies from GAIL / GoAP – for which the tie up may please be facilitated.
- (e) Long term lease (99 years) for mining of raw material
- (f) VAT/CST/SGST exemption for 5 years from the commencement of commercial operations.
- (g) Power subsidy @ Re. 1.00 per unit during the first year of the commercial operations and thereafter for the following period of four years, the rate of reimbursement to be regulated on yearly basis keeping in view the changes in tariff structures to ensure that power cost to the industry is pegged down to the first year level.
- (h) Capital subsidy @ 5% on the capital investment made (Land, Plant&machinery value).

(P.T.O)

- (i) 100% reimbursement / setoff of VAT on purchase of fuel & other inputs for a period of 5 years from commencement of commercial operations.
- (j) 100% reimbursement of Land conversion charges for industrial use.
- (k) All other incentives available for Large & Medium scale enterprises under clauses 4.2.1 to 4.2.10 of the IIPP- 2010-15.

3. In the reference 2nd read above, State Investment Promotion Committee (SIPC) have discussed the above proposal and decided to place the matter before the State Investment Promotion Board (SIPB) with the following recommendations of the SIPC:

- (a) 50% VAT & CST reimbursement for a period of 5 years from date of commencement of commercial production (DCP).
- (b) All other incentives as per IIPP 2010-15 policy.

4. In the reference 3rd read above, State Investment Promotion Board in its meeting held on 27.06.2012 discussed the proposal in detail and decided to extend the following incentives to the Company:

- (a) 50% VAT & CST reimbursement for a period of 5 years from date of commencement of commercial production (DCP).
- (b) All other incentives as per IIPP 2010-15 policy.

5. Government after careful examination of the proposal and in view of the recommendations of the State Investment Promotion Board, hereby extend the following incentives to M/s. Sentini Infra Pvt Ltd for their proposed Glass Containers & Float Glass manufacturing unit of capacity 850 MTPD at West Godavari District with an investment of Rs 600 Crores in two phases, under Industrial Investment Promotion Policy 2010-2015

1. 50% VAT & CST reimbursement for a period of 5 years from date of commencement of commercial production (DCP) provided the investment made at that point of time is not less than Rs. 250 Crores.

2. All other incentives as per IIPP 2010-15 policy, which include:

- (a) 100% reimbursement of Stamp duty and transfer duty paid by the industry on purchase of land meant for industrial use.
- (b) 100% reimbursement of Stamp duty for mortgages and hypothecations.
- (c) Fixed power cost reimbursement @ Rs.0.75 per unit (upper ceiling) on the proposed revised rates (2010-11) for 5 years from the date of commencement of commercial production. In case, decrease in Power Tariff, the reimbursement will be reduced proportionately.
- (d) Infrastructure like roads, power and water will be provided at door step of the industry for standalone units by contributing 50% of the cost of infrastructure from IIDF with a ceiling of Rs.1.00 Crore, subject to (a) the location should be beyond 10 kms from the existing Industrial Estates/IDA's having vacant land/shed for allotment and (b) cost of the infrastructure limited to 15% of the eligible fixed capital investment made in the industry.
- (e) 25% subsidy on specific cleaner production measures limited to Rs.5.00 Lakhs.

(P.T.O)

6. The Industry shall provide at least 80% of employment to the candidates belonging to Andhra Pradesh State.

7. The Commissioner of Industries, Hyderabad shall take necessary action, accordingly and intimate the status of the progress of work done by the unit from time to time to Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**K.PRADEEP CHANDRA,
PRINCIPAL SECRETARY TO GOVERNMENT AND
COMMISSIONER FOR INDUSTRIAL PROMOTION**

To

The Commissioner of Industries, A.P., Hyderabad.
M/s. Sentini Infra Pvt Ltd through the Commissioner of Industries, AP,
Hyderabad.

Copy to:

The Revenue (CT) Department.

The Revenue (Registration) Department.

The Energy Department.

The Irrigation (Reforms) Dept.

The Law (J) Department

The Ind. & Com. (IP) Department.

The Accountant General, Andhra Pradesh, Hyderabad

The Commissioner of Commercial Taxes, Hyderabad

The Chairman & Managing Director, APTRANSCO., Hyderabad

The Managing Director, APEPDC Ltd., Visakhapatnam

The Vice Chairman & Managing Director, APIIC, Hyderabad.

The District Collector, West Godavari District., Eluru

The General Manager, District Industries Centre, Eluru, West Godavari Dist.

P.S. to Principal Secretary to Chief Minister

P.S. to Hon'ble Minister(Major Industries)

P.S. to Chief Secretary to Government

P.S. to Principal Secretary to Government & CIP, Industries & Commerce

Dept.

SC/SF

//FORWARDED::BY ORDER//

SECTION OFFICER